

**SCHEDULE 8.1  
TO THE  
COMPREHENSIVE INFRASTRUCTURE AGREEMENT  
HUMAN RESOURCE REQUIREMENTS**

## Table of Contents

<b>1.0</b>	<b>OVERVIEW .....</b>	<b>1</b>
<b>2.0</b>	<b>AFFECTED EMPLOYEES .....</b>	<b>1</b>
<b>3.0</b>	<b>COMPETITIVE EMPLOYMENT .....</b>	<b>2</b>
<b>4.0</b>	<b>PROCEDURE FOR MEETINGS AND SPECIAL PROGRAMS .....</b>	<b>4</b>
<b>5.0</b>	<b>OFFERS OF EMPLOYMENT .....</b>	<b>4</b>
5.1	Affected Employees .....	4
5.2	Service Credit .....	6
5.3	Health Benefits .....	6
5.4	Payment of Leave .....	6
5.5	Savings Benefits .....	7
5.6	Retirement Benefits .....	7
5.7	Retirement Medical .....	8
5.8	Other Benefits .....	8
<b>6.0</b>	<b>EMPLOYEE TRANSITION .....</b>	<b>10</b>
6.1	Transition Plan .....	10
6.2	Vendor Human Resource Representative(s) .....	11
6.3	Vendor Public Relations Representative .....	11
<b>7.0</b>	<b>EMPLOYMENT POLICIES AND PROCEDURES .....</b>	<b>12</b>
<b>8.0</b>	<b>MANAGED EMPLOYEES .....</b>	<b>12</b>
<b>9.0</b>	<b>WORKING AT ELIGIBLE CUSTOMERS FACILITIES .....</b>	<b>13</b>

## 1.0 OVERVIEW

This is Schedule 8.1 to the Comprehensive Infrastructure Agreement between the Commonwealth and Vendor (the "Agreement"). Unless otherwise expressly defined herein, the capitalized terms used herein shall have the meaning assigned to them in the Agreement. This Schedule 8.1 contains the following Appendices (which are hereby incorporated by this reference):

Appendix 1: List of Affected Employees

Appendix 2: Summary of Employee Benefit Plans

Appendix 3: Vendor HR Transition Approach

Appendix 4: Sample Vendor Offer Letter

## 2.0 AFFECTED EMPLOYEES

Except as otherwise expressly set forth, this Schedule applies to "classified" and "wage" employees. For purposes of the Agreement, "Affected Employees" shall mean all VITA personnel who would transition to the Vendor and perform the in-scope information technology infrastructure activities, including the following:

- (i) all VITA personnel who customarily spend all or substantially all (approximately sixty percent (60%) or more) of the time that they are working for VITA in the Locations fulfilling responsibilities or performing services related to IT, or the operation, support, or maintenance of the Systems, as of the Effective Date; less
- (ii) all Retained Personnel; less
- (iii) those VITA personnel who are described by clause (i) of this sentence but who are transferred by VITA before the Service Commencement Date to positions in which they do not spend all or substantially all of the time that they are working for VITA in the Locations fulfilling responsibilities or performing services related to IT, or the operation, support, or maintenance of the Systems, or whose employment relationship with VITA ends prior to the Service Commencement Date other than as a result of being hired by Vendor in accordance with this Agreement; plus
- (iv) those employees hired by VITA after the Effective Date and prior to the Service Commencement Date to fill the positions of VITA personnel who are described by clause (iii) of this sentence.

Without limiting the foregoing, Appendix 1 sets forth a list of known Affected Employees. If an Affected Employee accepts the offer of employment made by Vendor as described below in Section 5.0, such individual will become an employee of Vendor (hereafter referred to as "New Vendor Employee") and shall be deemed Vendor Personnel for purposes of the Agreement. Vendor must meet the following criteria with respect to the offers of employment to the Affected Employees and for the transition and employment to New Vendor Employees. The "Employment Effective Date" for each such New Vendor Employee shall be the effective date on which Vendor actually employs such

individual. Vendor shall bear all Vendor costs incurred in complying with the provisions set forth in this Schedule.

### 3.0 COMPETITIVE EMPLOYMENT

At least thirty (30) days before the Service Commencement Date, Vendor shall make a written offer of Competitive Employment, effective on or about the Service Commencement Date, to all of the Affected Employees. "Competitive Employment" means a position with:

- (i) similar job requirements and responsibilities;
- (ii) similar job location - where the distance between the Affected Employee's new place of work and his or her former place of work is increased, if at all, by no more than 50 miles by virtue of the change in employment; and
- (iii) a compensation (including without limitation salary and bonus, if applicable) and benefits package which meets or exceeds that provided to (a) an Affected Employee by VITA as of the anticipated transfer date of the individual, and (b) similarly situated Vendor employees.

Each Affected Employee shall have a one hundred twenty (120) day period following the date of offer of employment within which to accept any offer of employment from the Vendor or to remain as an employee of VITA. The time in which an offer is accepted shall impact the extent of sign-on bonus available to such Affected Employee as further described in Section 5.1.4, below.

Notwithstanding the foregoing, Vendor shall have the responsibility to manage all New Vendor Employees, Managed Employees and Contractors as of the Service Commencement Date.

Vendor has developed a very competitive offer with a customized total compensation package that is comparable to or exceeds what VITA employees currently receive, as shown in the following table. Vendor has tailored some benefits to exceed what is currently offered to the general Vendor employee population.

Compensation Package Comparison		
Commonwealth of Virginia Benefits	Northrop Grumman Benefits	Comparable or Exceeds Current Benefit
Same Salary Increases for Everyone	Merit-based Salary Increases (annually)	Exceeds
12 Paid Holidays	12 Paid Holidays	Comparable
CommonHealth Wellness Program	Health OnLine	Comparable
Deferred Compensation Plan (457b)	Northrop Grumman Saving Plan (401k)	Exceeds
Educational Assistance	Educational Assistance	Comparable
Employee Assistance Program	Employee Assistance Program	Comparable

SCHEDULE 8.1 TO THE COMPREHENSIVE INFRASTRUCTURE AGREEMENT  
HUMAN RESOURCE REQUIREMENTS

Compensation Package Comparison		
Commonwealth of Virginia Benefits	Northrop Grumman Benefits	Comparable or Exceeds Current Benefit
Flexible Benefits Program	Flexible Spending Accounts	Comparable
Group Life Insurance (includes Accidental Death & Disability [AD&D] Insurance)	Group Life Insurance (includes AD&D Insurance)	Exceeds
Health Benefits (medical, dental, vision)	Health Benefits (medical, dental, vision)	Comparable or Exceeds
Annual Leave (vacation)	Pooled Time Off (vacation, sick, personal time)	Comparable
Administrative Leave (paid)	Jury/Witness Duty (paid)	Comparable
Military Leave (paid)	Military Leave (paid)	Comparable
n/a	Bereavement Leave (paid)	Exceeds
Leave Sharing	Vacation Donation	Comparable
Family and Medical Leave (FMLA)	Family and Medical Leave (FMLA)	Comparable
Educational Leave (paid/unpaid)	Educational Leave (unpaid)	Comparable
Leave to Provide Community Service	Pooled Time Off (vacation, sick, personal time)	Comparable
Optional Life Insurance	Optional Life Insurance (includes optional AD&D Insurance)	Exceeds
Retirement Plan	Northrop Grumman Pension Program (company paid)	Comparable
Telecommuting	Telecommuting	Comparable
Virginia Cash Match Plan	Northrop Grumman Savings Plan (401k)	Exceeds
Virginia Sickness and Disability Program	Personal Time Off, Short-Term Disability (STD), and Long-Term Disability (LTD)	Comparable
PERKScard	Employee Vendor Discount Programs	Comparable
n/a	Personal Time Off Purchase and Cashout programs	Exceeds
Employee Recognition Programs	Employee Recognition Programs	Exceeds
Training and Development Programs	Organizational and Workforce Development programs (includes online training courses)	Exceeds

Vendor will assume responsibility for the operational management of all employees, whether or not they have accepted an offer, on the Service Commencement Date.

## **4.0 PROCEDURE FOR MEETINGS AND SPECIAL PROGRAMS**

Vendor shall coordinate with VITA, and obtain its approval, regarding plans and schedules for conducting “one-on-one sessions”, “town hall sessions”, and other informational meetings with all Affected Employees. A detailed description of all such events, including a proposed schedule and timeline for such events, shall be set forth in the employee transition plan attached as Appendix 3 to this Schedule. Vendor shall hold the first such informational meeting and/or program as soon as reasonably possible after the Effective Date of the Agreement and shall hold additional events before and after the letters offering employment are received by the Affected Employees.

Vendor may initiate special programs to generate good will with the Affected Employees with the prior written approval of such programs by VITA. These programs, including costs, are the responsibility of Vendor. VITA will consider requests from Vendor to assist in the roll-out and implementation of these programs.

## **5.0 OFFERS OF EMPLOYMENT**

### **5.1 Affected Employees**

- 5.1.1 Vendor will offer informational meetings and extend offers of employment to all of the Affected Employees that are “classified” and “wage” employees as defined by the Commonwealth. As part of this service, Vendor will provide decision support materials to assist such Affected Employees in their evaluation of the employment offer.

“Wage” employees (not covered by the Virginia Personnel Act) will also receive job offers to join Vendor as casual employees, an opportunity that can provide flexibility in work schedules. Like wage employees, casual employees at Vendor do not receive benefits, pension or paid leave.

Vendor will provide a detailed offer letter, along with an “Employee Welcome Kit” that provides benefits and policy-related information as well as other key features that will help employees in making their decision. The offer letter for all Affected Employees, excluding those “wage” employees that accept offers of employment from Vendor, will provide details of the 4 percent salary increase, the sign-on bonus and the 1-year employment commitment described further below. A sample of the offer letter is provided in Appendix 4 to this Schedule 8.1.

In addition, Vendor will launch a website dedicated to transitioning Commonwealth employees and will provide a telephone hotline dedicated to answering Affected Employees’ questions about the employment offer.

- 5.1.2 Vendor will offer all “classified” Affected Employees who accept Vendor’s offer of employment an immediate four (4) percent increase to their base salary at the time of the offer.
- 5.1.3 Vendor will offer all “classified” Affected Employees who accept Vendor’s offer of employment a one-time signing bonus as an incentive to accept any

employment offer which shall be open from the date of the applicable employment offer as set forth below.

Offer Accepted	Signing Bonus
Within 30 days of receipt	6% of the new base salary
Within 60 days of receipt	4% of the new base salary
Within 90 days of receipt	2% of the new base salary
Within 120 days	New base salary, no signing bonus

Vendor will work with VITA to identify any “wage” employees that are deemed critical to the success of the Services and whom Vendor should provide an offer of employment that may include a four percent (4%) increase in base salary. Additionally, wage employees may apply for any full-time position that Vendor has posted.

- 5.1.4 Vendor shall not terminate the employment of any New Vendor Employees, excluding those “wage” employees that accept offers of employment from Vendor, during the first twelve (12) months after the applicable Employment Effective Date except for termination for “good cause.” If Vendor terminates the employment of any such New Vendor Employee after such twelve (12) month period (other than for “good cause” – which shall mean insubordination, dishonesty, material violation of a rule or regulation or other misconduct as defined in Vendor’s human resources policies, or criminal conduct), Vendor will provide the employee with a severance benefits package, the value of which will be no less than that which would be afforded similarly situated employees of the Vendor.
- 5.1.5 Vendor will not decrease the compensation and benefits package of any New Vendor Employee for a period of at least twelve (12) months after the individual transfers to Vendor, except for “good cause,” as described in Section 5.1.4, above, or in the event of voluntary transfer to a different job, location or business unit.
- 5.1.6 As described in Section 5.1.2 above, all “classified” Affected Employees will receive an initial increase in salary of 4 percent (4%). “Classified” Affected Employees will be eligible for a salary increase every year. New Vendor Employees, excluding those “wage” employees who accept offers of employment from Vendor, are eligible for Vendor’s bonus programs, which are subject to change from time to time, but currently include:
- Timely Recognition Plan
  - Timely Awards Program
  - Management Achievement Plan
  - Circle of Excellence and Pinnacle of Excellence Awards
  - Service awards and dinners

Additionally, Vendor often uses program-specific bonus plans designed to incentivize employees to meet and exceed program goals and customer satisfaction. In the case of the Infrastructure PPEA, Vendor will offer an incentive to employees who offer suggestions for improvements on the program and/or who offer ideas for new, innovative, cost saving solutions. Any employee suggestion that is implemented will be eligible for a monetary award between \$200 and \$5,000, depending on the level of cost savings and/or positive impact to the various Eligible Customers.

## **5.2 Service Credit**

New Vendor Employees, excluding those “wage” employees that accept offers of employment from Vendor, will be given credit for all prior service with the Commonwealth for purposes of determining eligibility and accrual rates for vacation, sick leave, disability benefits, severance, retirement benefits and health plans, and other plans and programs based on service duration that the Vendor provides. For those employees with five (5) or more years of service, this will mean immediate vesting in the Vendor pension plan.

## **5.3 Health Benefits**

Each New Vendor Employee, excluding those “wage” employees that accept offers of employment from Vendor, will be eligible, as of his or her Employment Effective Date, for enrollment in Vendor's health care plans, including major medical, life insurance, hospitalization, dental, vision, short and long term disability, pharmacy, and personal accident coverage. Vendor will offer each new Vendor Employee health care coverage, such that on his or her Employment Effective Date, he or she (and any currently covered family member and dependents) will be seamlessly covered by such health care plans. All pre-existing conditions, exceptions and exclusionary provisions and waiting periods are to be waived with respect to the New Vendor Employee (and any currently covered family member and dependents). Vendor will also be responsible for any medical or health expenses incurred by the New Vendor Employee, on or after his or her Employment Effective Date. Vendor has listed all of Vendor's health care plans on Appendix 2 and has provided VITA with true and complete copies of the most recent summary plan descriptions and summary of material modifications for such employee plans or has provided a written summary where no current summary plan description exists. Additionally, Vendor health plans do not have any pre-existing conditions, exceptions or exclusions.

## **5.4 Payment of Leave**

“Classified” Affected Employees accepting employment with the Vendor will be paid by VITA for any type of leave balances due them (e.g., annual leave, sick leave, compensatory leave, overtime leave) prior to their employment with Vendor in accordance with Commonwealth policies and procedures. Vendor will reimburse VITA for such leave balances paid. Nothing in this Schedule prevents Vendor from offering New Vendor Employees advanced leave (e.g., additional vacation/paid time off) as an inducement to accept employment with the Vendor. The Parties may further explore, as an alternative, options for Commonwealth annual leave balances to be transferred with the Affected Employee instead of payment of such Commonwealth annual leave balances.



## **5.5 Savings Benefits**

- 5.5.1 Vendor will assist employees in moving funds from their current 457(b) savings plans to Vendor's 401(k) plan, in accordance with IRS regulations. In keeping with the IRS regulations, Vendor will make every effort to ensure there is no penalty to the transitioning employees. Vendor will provide a mechanism for re-establishing outstanding loans, if any.
- 5.5.2 Vendor shall provide savings benefit plans that are competitive or preferable to the Commonwealth plans.

As a special incentive for New Vendor Employees, excluding those "wage" employees that accept offers of employment from Vendor, opening 401(k) accounts, Vendor will make an increased 401(k) contribution in addition to the standard 401(k) company match. Vendor will offer all New Vendor Employees, excluding those "wage" employees that accept offers of employment from Vendor, that open a 401(k) account an additional Vendor-paid contribution into their 401(k) accounts for the first 3 years of the program as follows:

2006 – 4% of the employee's base salary

2007 – 4% of the employee's base salary

2008 – 4% of the employee's base salary

New Vendor Employees, excluding those "wage" employees who accept offers of employment from Vendor, will not have to contribute anything to receive this additional company paid contribution. Moreover, if they are contributing, they will still receive the standard company match. All contributions mentioned above shall vest immediately.

## **5.6 Retirement Benefits**

In addition to the Savings Benefits described above, Vendor shall handle the New Vendor Employees', excluding those "wage" employees that accept offers of employment from Vendor, existing retirement benefits so as to minimize adverse impacts and provide retirement benefit plans that are competitive or preferable to those available from the Commonwealth by providing the Savings Benefits described above and the following pension plan.

The second component to Vendor's retirement solution is the Vendor pension plan. All New Vendor Employees, excluding those "wage" employees that accept offers of employment from Vendor, are eligible for this plan and will be automatically enrolled. The Vendor plan is completely Vendor-paid. Under the Vendor retirement solution, those employees eligible to retire from VITA now may receive all benefits from their VRS retirement plan while starting a second pension account with Vendor, with the added benefit of service credit recognition for time employed with the Commonwealth. Any New Vendor Employees with at least 5 years of service with the Commonwealth will immediately vest in the Vendor pension plan. Every pay period, Vendor will credit an amount to the New Vendor Employee's pension account based on a point system—the higher the level of service credit, the higher the number of points. Thus, in addition to helping with vesting by granting service credit, Vendor is providing for New Vendor

Employees to enter the pension plan with higher points and, therefore, a higher accrual than similarly situated new employees.

## **5.7 Retirement Medical**

Vendor shall provide New Vendor Employees, excluding those “wage” employees that accept offers of employment from Vendor, access to participation in the Vendor retiree medical plan at the Vendor group rates.

## **5.8 Other Benefits**

Vendor will be responsible for providing other benefits that are equal or substantially comparable to those that an Affected Employee currently receives, if the Affected Employee accepts Vendor’s offer. The offer of other benefits excludes those “wage” employees that accept offers of employment from Vendor. Other existing benefits provided by VITA to Affected Employees prior to the Employment Effective Date are listed below:

These benefit programs will be available immediately to New Vendor Employees.

### **Subsidized Parking**

Vendor will reimburse VITA for the amount that VITA pays to subsidize parking expenses for New Vendor Employees that currently receive subsidized parking benefits from the Commonwealth, at the same amount VITA then-currently subsidizes, up to \$80 per month.

### **Healthcare Reimbursement Account**

Vendor’s Flexible Spending Account will enable New Vendor Employees to set aside a set amount of salary on a pre-tax basis to cover health care expenses in accordance with Vendor’s current policies.

### **Dependent Care Reimbursement Account**

Vendor’s Flexible Spending Account also allows for New Vendor Employees to set aside pre-tax dollars from their salary to use for dependent care expenses in accordance with Vendor’s current policies.

### **Premium Pre-Tax Payments**

Vendor provides for New Vendor Employees to pay medical plan premiums with pre-tax dollars in accordance with Vendor’s current policies.

### **12 Holidays per Year**

New Vendor Employees will receive 12 paid holidays per year in accordance with the Commonwealth’s holiday schedule. Additionally, Vendor will honor any additional holidays declared by the Governor for all New Vendor Employees on this program.

### **Education Assistance**

New Vendor Employees will be eligible to participate in Vendor’s standard Tuition Reimbursement Plan, offering educational financial assistance to employees as a way of encouraging and supporting them in their professional development.

### **Employee Discounts**

Vendor has negotiated with several vendors to offer employees discounted services. Through the online Working Advantage portal, employees receive discounts on amusement park, theater, movie, and sporting event tickets; travel; recreational activities; and online shopping.

In addition, the following vendors currently provide discounts directly to Vendor employees, provided that the Parties acknowledge such list is subject to change:

- Anheuser-Busch Adventure Parks: Print@Work Ticket Program
- Caesars Pocono Resorts in Pennsylvania
- Enterprise Rent-A-Car
- Marriott – Hotel Rooms & Suites in the Washington, DC area
- Songer Whitewater
- Spirit Cruises
- GM Supplier Vehicle Discount – GM employee price + 4%
- Dell Computer Corporation
- Desktop Solutions Program (DSP) Employee Purchase Program
- GE Appliances
- Wireless Services: AT&T, Nextel, Sprint, Verizon
- Jos. A. Bank Clothiers (Men's Clothing & Accessories)
- Franklin Covey Company
- Haworth Furniture
- Barnes & Noble
- HOA Home Ownership Association, LLC
- HomeBenefits@Work offered by SIRVA Relocation LLC
- HoneyBaked Ham Company - Store discount of 10%
- 1-800FLOWERS.COM
- Call Bob for Flowers and Gifts
- Beach Eye Care (Newport News and Virginia Beach)

### **Organ Donor Time Off**

New Vendor Employees shall be entitled to use time accrued in their pooled time off (PTO) for purposes of organ donation and community service in accordance with Vendor's current PTO policies and procedures

### **Paid Military Leave**

Eligible New Vendor Employees shall be entitled to paid military leave in accordance with Vendor's current Paid Military Leave policies, which currently

provides coverage for up to ten (10) work days. Vendor makes up the difference between military pay and regular salary, so the employee and their family will not suffer financial hardship. Vendor provides this benefit to both reservists and active duty service members. Vendor goes even further by offering this benefit for a full year. Vendor also provides health benefits for the employee and their eligible dependents.

**Employee Assistance Program (EAP)**

New Vendor Employees shall be eligible to obtain benefits made available under Vendor's Employee Assistance Program (EAP), which currently provides employees and their eligible dependents free, confidential professional counseling, education, and referral services.

**Wellness Program**

New Vendor Employees shall be eligible to obtain benefits made available under Vendor's Wellness Program.

**Severance**

Any New Vendor Employee terminated (other than for cause) after the 1-year retention period will receive Vendor's standard severance package, which is based on service credit, which does include already earned Commonwealth service credits.

## **6.0 EMPLOYEE TRANSITION**

### **6.1 Transition Plan**

Vendor shall develop, and provide to VITA for its review, comment and approval, an employee transition plan that will specify the schedule and timing of all informational meetings and programs as described in Section 4 of this Schedule, the duration and timing of the employee transition period, the procedures that will be followed and the date on which the Affected Employees who accept offers will start work with Vendor. Such plan will include procedures to ensure that New Vendor Employees are not adversely impacted with respect to personal cash flow or taxation by changes in the timing of payment of salaries during transfer. In addition, such plan shall set forth Vendor's procedures for managing the Managed Employees. The following represents a tentative sequence and timing of events to which Vendor shall conform the employee transition plan:

Event/Activity	Timeframe
Initial Informational Meeting/Program with all Affected Employees	Between Effective Date of Agreement and Offer of Employment
Additional Informational Meetings/Programs with Affected Employees	Between Effective Date and Service Commencement Date
Offer of Employment to all Affected Employees	At least 30 days prior to Service Commencement Date
Length of time that Offers of Employment will remain "open"	120 days following receipt of Offer

During the Interim Phase, Vendor shall develop a detailed transition plan that conforms to the above recommended schedule. Such plan shall be consistent with the approach attached as Appendix 3 to this Schedule 8.1.

## **6.2 Vendor Human Resource Representative(s)**

Vendor will appoint a human resources representative(s) who will be responsible for the transition of the New Vendor Employees and VITA will be responsible for the ongoing HR support for Managed Employees. The Vendor human resources representative(s) will work closely with the VITA human resources department over the life of the Agreement. Vendor will not replace or reassign such representative(s) without prior written notification to VITA.

Vendor will provide a dedicated, on-site Human Resources staff in both the Richmond and Southwest locations. The staff will be led by a Human Resources manager who will have day-to-day oversight and management responsibility for the start-up and transition activities, and will work in close coordination with VITA for the duration of the contract. The Human Resources manager will be located in the Richmond location. Additional staff in Richmond will include a Human Resources generalist, a Human Resources coordinator and a training specialist. For the Southwest Enterprise Solutions Center, Vendor will provide a Human Resources generalist and Human Resources coordinator. The Vendor HR manager shall be considered Key Personnel and listed on Schedule 8.2.

## **6.3 Vendor Public Relations Representative**

Vendor will appoint a public relations representative who will be responsible for the communication of the change process working in conjunction with VITA. Vendor will not replace or reassign such representative without prior written notification to VITA.

Vendor has partnered with Booz Allen Hamilton to develop, coordinate, integrate, synchronize, implement, and assess internal and external communications and organizational change management capabilities. The proposed Public Relations, Communications and Change Management manager, will serve as the key VITA interface for activities related to public relations, communications and change management, including scheduling, resource management (human and financial), quality assurance, and

all aspects of the program management plan. The Public Relations, Communications and Change Management manager will be considered Key Personnel and listed on Schedule 8.2.

## **7.0 EMPLOYMENT POLICIES AND PROCEDURES**

Vendor will provide, with each Affected Employee's offer letter, access to any relevant employment procedures that would apply to the Affected Employee.

Vendor shall provide VITA with similar access for reference purposes and examples of offer documents and a copy of relevant documents.

## **8.0 MANAGED EMPLOYEES**

Vendor shall comply with the following conditions in the management of Managed Employees:

- Vendor will effectively manage the Managed Employees in the day to day technical and operational duties and in a manner not inconsistent with Commonwealth HR policies and procedures.
- In the event of a reduction of force in the Managed Employee population caused by automation, consolidation or other events related to the delivery of the Services, the Vendor will be responsible for reimbursing VITA for any Workforce Transition Act (WTA)-related costs for which VITA is or will be responsible.
- In the event any Managed Employees subsequently become employed by Vendor to perform the Services, Vendor will reimburse VITA for any leave balances paid by VITA to such Managed Employees for any type of leave balances due them in accordance with Commonwealth policies and procedures (e.g., annual leave, sick leave, compensatory leave, overtime leave) prior to their employment with Vendor. The Parties may further explore, as an alternative, options for Commonwealth annual leave balances to be transferred with the Managed Employee instead of payment of such Commonwealth annual leave balances.
- Vendor shall be responsible for filling Managed Employee vacancies created as a result of any reduction of staff with appropriately skilled personnel, if filling the position is deemed necessary for the provision of Services.
- Vendor will dedicate an HR professional(s) to work with the Commonwealth's designated HR representative(s) as described in Section 6.2 above.
- Vendor will assist the Commonwealth in the Commonwealth's development of annual performance reviews of Managed Employees in accordance with the Procedures Manual.
- Vendor will provide necessary job enhancement training to all classes of employees (including New Vendor Employees and Managed Employees).
- Vendor will provide access to Vendor internal job openings for positions supporting the Commonwealth account for any Managed Employees and allow those Managed Employees to competitively apply for any such posted positions.

Set forth below is a non-exclusive list of Applicable Commonwealth Policies and Procedures affecting Managed Employees:

- DHRM Policies and Procedures - <http://www.dhrm.state.va.us/resources.html>
- DHRM Compensation and Benefits - <http://www.dhrm.state.va.us/compandbenefits.html>
- DHRM Training and Development - <http://www.dhrm.state.va.us/training.html>
- DHRM Employee Relations - <http://www.dhrm.state.va.us/employeerelations.html>
- DHRM Workers Compensation and Safety - <http://www.dhrm.state.va.us/workerscomp.html>
- DHRM Employee Assistance Program - <http://www.dhrm.state.va.us/genlbenefits/employeeassistance.html>
- DHRM Employee Suggestion Program - <http://esp.dhrm.state.va.us/>
- DHRM Wellness Program - <http://www.chp-online.com/commonhealth/>
- DHRM Work Life Programs - <http://www.dhrm.state.va.us/worklife/worklifetoc.html>
- EDR Grievance and Mediation Programs - <http://www.edr.virginia.gov>
- VRS Retirement Plans, Disability Programs, and Life Insurance Plans - <http://www.varetire.org/Employers/BenefitPlans/Index.html?menu=employer>
- VITA's Policies and Procedures - <http://www.vita.virginia.gov/extranet/>

## **9.0 WORKING AT ELIGIBLE CUSTOMERS FACILITIES**

Vendor acknowledges and agrees that New Vendor Employees will follow the policies, procedures, and customs of the applicable Eligible Customer when working for such Eligible Customer or within such Eligible Customer's facilities. By way of example, but not in limitation of the foregoing, New Vendor Employees will be subject to credit and criminal background checks when such checks are the policy, procedure, or custom of the particular Eligible Customer.

Vendor Employees will follow the policies, procedures and customs of the Eligible Customers. As a condition of employment, Vendor requires all applicants to submit to a background investigation. Additionally, at the request of its customers, Vendor may also require a credit history review. Should there be any conflict between the Eligible Customer policy and VITA policy, Vendor will work with representatives of both organizations to develop a reasonable solution.